

Frequently asked questions about

IT CONSOLIDATION

Volume 3

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We are well into Phase II and III of the State of Minnesota's [IT consolidation plan](#) – agency centralization and strategic planning. A lot of work is going on behind the scenes to prepare the new state IT organization to become more integrated, and to define the structure and management of what has now become a single, statewide IT organization. Inevitably, people hear bits and pieces of this great big puzzle and come to conclusions about what is going on.

This FAQ does not answer all the questions you may have because we may not know all the answers yet, but it will help you see what we do know, what we don't, and where we're generally headed.

What's the bottom line? Change is the only constant and it will be happening everywhere. This is the largest government reorganization the State has seen in decades, and the effort to get it right means that there will be an "evolution" in our IT environment for quite some time to come.

The FAQ is divided into categories:

- Agency Centralization
- Central OET Changes
- State IT Employees
- IT Planning: Defining our IT Priorities
- The Future IT Organization
- Next Required Stage: Service Level Agreements
- Getting Information

Agency Centralization

What is the "Agency Centralized Reference Model" that has just been published and what does it mean for my agency?

Over the past few months, agency CIOs have been working together to define the common elements of agency-based IT within the context of the new consolidated organization we have become. The [Agency Centralization Reference Model](#) defines those common elements and will be used by each agency in the planning activity at over the coming months.

The Reference Model addresses each of the key elements to a successful IT organization of the size and scope of an agency IT shop - services, functions, processes and tools - and sets a direction for common management of these elements.

Why does the Reference Model require us to adopt common processes when we deliver such different and unique services?

The measure of a successful, high-functioning IT organization is how well it utilizes standard processes to deliver customized services. "What" you deliver may well be unique – at least in the area of unique applications – but the methodology by which we all deliver services can be categorized in common, industry-standard terms and processes that allow us to predict and track outcomes and improve services. That is our goal. Not to make the

solutions cookie-cutter, but to apply best practices so that our service levels for both common and unique services are standard across the State. The processes we adopt together will be based on proven industry standards.

We know that the implementation and standardization of key processes is a very long journey that involves a lot of planning, training, and a new way of thinking. Some of you are well along that path, some are just beginning. That is why we are focusing in the the Reference Model on those cross-functional processes that are foundational to dependable IT management. We want to be realistic and strategic about what process improvement we can manage at this time.

The Reference Model shows a “functional organization” structure. What does that mean? Will my agency IT be reorganized into that structure?

Over time, agency organizational structures will move towards the functional model, but not all agencies will do it overnight. There's a lot to do in the meantime.

You can expect that there will be some changes to your organizational structure (if there haven't been already) in the near future as your agency puts all IT “under one roof.” Our first priority is to move everyone that performs an IT function within the agency IT organization for reporting purposes. Your agency CIO is actively working on that goal and will soon produce a single org chart that shows how all IT-related staff will report. Again, for some agencies – depending on their current organizational structure - this is an easy task, and for others it is more complicated. For many agency offices, this will be an iterative process.

Why have CIOs been asked to create functional organization charts if our agency is not reorganizing that way right now?

The immediate use of the information is not for organizational changes, but to create a logical view of IT business that helps us understand the costs of the services we are currently providing. Each agency is currently mapping the functions each of you do in a logical view for information and planning purposes. This is an important step to our creating the required service level agreements by July.

The functional view of each agency organization also helps us see how many people perform similar functions across program areas and systems, and to see whether there are any gaps. And it provides us a window into the functional strengths and weaknesses we have as an overall organization. The mapping also allows the agency to begin identifying process owners for the processes that operate across functions.

Does this mean that I will no longer be working directly for a specific state program or system?

IT continues to support the business of the State and individual agencies, so your role in providing services to state programs is unlikely to change. However, the centralization of IT at the agency may mean that you have a new administrative reporting relationship.

What about people that are only part-time IT?

Your CIO is working with agency business leadership to determine the appropriate delineation for those few who have only partial IT responsibilities. There will be a variety of factors considered in each situation before a determination is made as to whether an individual remains in or out of OET, but the work begins now to formalize the distinction between IT and non-IT staff at agencies.

Are there classification changes going on in this reorganization?

As with any major reorganization, there will be some re-classifications early on, but the changes will be few and will be managed within an agreed-upon process. The changes are intended to ensure consistency in classifications across the agency office.

Are you conducting a skills inventory of individuals, too?

Not formally at this time – probably sometime in the future. But the immediate planning exercise of mapping people to functions will likely help your agency IT management get even more familiar with what you do.

Is Central OET changing too?

Yes, it is. Change is happening everywhere. Central OET also needs to prepare its organizational structure to handle changing responsibilities under the new consolidated state. You can read more about those changes below. Central OET also continues on the journey towards process improvement, noted above.

Are there more changes coming?

You can expect lots of changes over the next several years based on many things including, but not limited to, the strategies and priorities we collectively set for IT delivery (see IT Planning below) and staffing needs brought on by changing technologies, retirements, etc.

As you gather information about all of the agencies, what problems and issues are you discovering?

The planning exercises now underway are helping us understand a little better the strengths and weaknesses of individual organizations and state IT as a whole – the opportunities for improvement. Obviously, we will learn more as the process goes along. A high-level summary of our early findings is contained in the [January 2012 report to the Legislature](#).

Central OET Activity and Changes**What organizational changes are happening at Central OET?**

Central OET's role in state IT management is changing and the organization must change to adapt. And Central OET will probably see several iterations of change as additional planning further identifies new roles and structures. For now, Central OET is implementing the following changes over the next several months:

- Grouping all policy, standards and risk management in one department. This includes architecture, ISRM (product standards) and security, among others. *This change has already taken place.*
- Grouping application management with operations in a new department called "Service Delivery." This department will be reorganized based on functional alignment, and will include the service desk.
- Developing a Projects and Initiatives department, based on the increased role for portfolio and project management required by consolidation.
- Grouping financial management, HR, training and facilities in a department called Agency Support. The HR division within this department will, in particular, be growing over the next few months in order to manage the size and activity of OET as a whole.

Will there be job openings at Central OET associated with these changes? Will I be able to transfer/apply?

All open positions related to these and other changes are open across OET and will be publicized on the State IT intranet. In fact, we have set a policy that all open IT positions will be open and advertised beyond individual agencies.

What is the "Innovations" department that we've heard about?

The need for an innovations program to foster research and development (R&D) activity and to explore and implement innovative technologies has been clearly identified in the IT planning process. The current "box" on the Central OET org chart is a placeholder for an innovations program that is now being developed.

Is there a current Central OET org chart available?

The most recent version of the [Central OET organization chart](#) is located on the State IT Intranet. This chart does not depict all of the changes described above because they have not happened yet.

State IT Employees**Commissioner Parnell has talked about all state IT employees now at the agencies officially becoming OET employees. When will that happen? How will it affect me?**

All state IT employees are already part of the Office of Enterprise Technology, but there are a few administrative steps yet to take, and they will happen soon. We are working with MMB to answer the long list of questions that need to be resolved. We are making great progress and will keep you informed.

In the immediate future, the biggest changes will happen at the individual agency level as a result of the activities mentioned above. On a more global level, you'll see some organization-wide HR policies and procedures, communications standards (like your email signatures, etc.). These will be communicated as they are developed so you know what is going on, and so we can celebrate our evolution into a single organization.

How much will people move from one agency to another?

Any movement of staff from the agency they currently serve will be based on strategic plans for the specific service they provide or the function they perform. There will be some changes over time.

It's important to emphasize that we all still have the same role, i.e., to provide IT services to meet the business needs of the State. We know that IT staff at the agencies serve particular clients very well (and very passionately), and any contemplated moves would be within the context of continuing (or improving) the services we provide to those customers.

Is everybody moving to a single location?

It is not practical to move all 2100 people into one location nor is it preferable. Many IT staff are better located nearer to the individual customer they serve. This includes IT staff that work beyond the Twin Cities and perform important functions throughout the state. As noted above, any physical moves will be based on carefully planned changes to service delivery.

How will consistency among use of IT classifications and class options be enforced among agencies across the State?

At this point, agencies are only addressing the very limited classification changes needed to get everyone who belongs in-scope to be appropriately classified and moved into the IT organization. A more thorough review of classifications across agencies based on common functions will occur in a later phase as long-range tactical planning gets underway.

How will seniority be handled between agencies? Will my job be determined by the seniority of people from other agencies in the same classification?

This question is currently under discussion with state bargaining units, as this is a contract issue.

Will this consolidation result, in the end, in fewer jobs?

We don't know. There may be fewer, the same or more jobs. It depends on the State's overall need for IT and how we can best deploy the resources we have. The current information-gathering and planning will give us a much better benchmark for looking forward.

Right now we're focused on using the consolidation as an opportunity to address the likelihood that the large number of retirements in the next few years will leave us with too few people – a "brain drain." By strategically

managing and deploying our human resources at an enterprise level, we hope to avoid the disaster we might have if each agency had to cope with the loss of skilled expertise on its own.

Commissioner Parnell has talked about an employee satisfaction survey. When is that happening and why are you doing it?

Conducting an employee satisfaction survey at this time has several purposes. Most importantly, it provides a benchmark for future polling – giving us a sense of where we are globally in terms of employees' satisfaction with their work environment – and allowing us to measure progress as we go. It also provides some helpful data to us as we plan a proactive management training program and lets us know where we need to put our emphasis on forming the values and culture of our organization.

Central OET staff have already taken the survey as a pilot. The organization-wide survey will be distributed later in March.

IT Planning: Defining our IT Priorities

What is the State of Minnesota IT Master Plan and why is it being done now?

It is important to remember that consolidation is not the destination, it is the route we take to where we need to go.

The State CIO is required by statute to maintain a “master plan” for the State and report on it every two years. That plan is being rewritten at this particular time in order to set priorities beyond consolidation – to define our common destination. It will define the strategies and objectives for State IT as a whole for the next five years and will dictate how we set priorities at all levels of state IT.

Once the Master Plan is complete, a tactical plan will be developed to outline the priority initiatives for the next two years. The tactical plan will include service changes and organizational changes aimed at meeting the goals of the Master Plan.

Who participated in the planning?

The three-month planning process for the Master Plan has been a very open one, including state IT leadership, business leadership and state IT employees. The “listening sessions” with these groups has occurred in person and online.

Where do I get more information?

An update on the [Master Plan](#)'s general themes and strategies is available on the State IT intranet. The final plan will be published on the OET website and delivered to the state legislature in March.

The Future State IT Organization

How big is OET?

As an organization, we are now 2100 people strong! 300 of us work in Central OET. The rest of us are distributed at agency “field” offices, but we all represent OET in the work that we do. We are one team and we succeed by working together.

What kind of planning is going on regarding the overall State IT organization?

Concurrent with the Master Plan, OET is coordinating a strategic planning exercise to define the mission, vision, values and strategies for our future state IT organization. While the Master Plan (above) describes *what* IT should do for the State, the IT Strategic Plan describes the *how*, and is focused primarily on how we run our new

organization at both the central and agency levels. The strategic plan is still under discussion and will be published in April. Input into the strategic plan came from the same groups that contributed to the Master Plan.

Will there be a name change?

We are all undergoing a name change, whether we rename OET or not. As a single organization, we must redefine OET and our specific office within that larger organization. An actual name change for OET is still under discussion.

Whether or not there is one, we will be creating some communications standards that will help us all “brand” ourselves as the single organization that we have become and help us differentiate what portion of this larger organization we serve directly.

What will be the eventual ratio between central staff and agency-based staff?

We do not know. While everyone will work for the state IT organization, we do not have a final “destination” in terms of who works where. It depends on the service strategies that are developed over time (where can we benefit by centralizing and what needs to stay “local”). It is likely that the answer to this question will evolve over the next few years and will never be static, always open to new ideas, technology advancements, industry changes and new opportunities.

We also have no pre-conceived agenda on changing the ratio within employee IT classifications or management-to-employee ratios.

What governance is being put in place for statewide decision-making?

The 2011 consolidation legislation created a governance body to advise the State CIO on operations of OET. The Technology Advisory Committee, as it is called, is comprised of agency leadership representation, external business and county representation, and labor representation. The group meets bi-monthly. TAC minutes will be published [on the OET website](#).

Additional governance bodies are being developed to meet the needs of our internal planning and operations.

When will there be common policies and procedures for all of OET and how will I have access to them?

Although not all administrative procedures (time tracking, etc.) will be centralized immediately, many of the key HR functions will be centralized and HR policies will be updated for the entire organization at the same timeframe that the administrative transfers and agency centralization shifts take place. The State IT intranet will be expanded and reorganized to share all of the state policies, information and activities. The work to expand the intranet is already underway.

How will training be managed?

There are several reasons that training will be vital in the next few years. First, we have a lot of people across OET that will be earning a well-deserved retirement, and we need to replace their know-how. Second, as we identify and move to certain “common” services, retraining will be needed in certain agencies to replenish skills. Third, we anticipate that we will need to provide re-training to folks whose roles may change. Fourth, our long-range planning has identified our short-comings in training our customers on how to leverage the tools we provide. Training, therefore, will be a high priority in our tactical planning and in our investment of short-term savings.

A strategy for how training will be managed on a statewide basis has not yet been developed. For the time being, training will be handled at the agency level, with ongoing conversations about ways that we can share training resources and opportunities to our advantage.

Next Required Stage: Service Level Agreements

The July '11 consolidation legislation called for OET to manage IT through service level agreements by July 1, 2012. What is happening?

Every agency IT office will negotiate a service level agreement with their agency customers for FY13 services. The agreement will cover all services that are provided to the agency, regardless of the source. This first year of service level agreements will focus primarily on describing the current level of service provided to the agency with the current earmarked budget and people. It is a first pass at what will, over time, give the customers the opportunity to choose levels and volumes of service different than what they get today.

A cross-agency team is working on developing the “framework” for these service level agreements for FY13. Much more information will be available in the coming months as the details emerge.

It is important to note that all of the planning activity that is going on right now is the “homework” necessary to get each agency to a place where it can describe the services that it provides in a common way, and attribute functions and costs service-by-service so that agency customers can understand what they get for their money.

What services will be delivered centrally?

Although there are a few services that have, in the recent past, been defined as “utility services” to be consumed by all agencies, the next round of common services will be defined through a detailed review of service opportunities. Much of the planning activity that is now underway at the agency level will help us as an organization determine those changes that will offer the greatest benefits in terms of service optimization and/or cost avoidance.

Getting Information

What is the best way for me to stay informed?

At Your Agency Office

IT staff emails and newsletters from your IT leadership, established intranet

All OET

Morning Java: daily, includes messages from State CIO, change updates/announcements, meeting notices for communities of interest, news items of interest to government IT professionals

State IT Intranet: announcements, planning documents, work groups and gathering place for general feedback and communities of interest (this is currently being updated to become a full intranet for all of our internal business)

Up to the MN.IT: Bi-monthly online newsletter for customers, stakeholders and staff on recent accomplishments and service improvements. Read and sign up for email notices: <http://mn.gov/oet/about-oet/newsroom/newsletters/index.jsp>

OET Website: Public website with governance and compliance links, policies and standards, products and services, support